

UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF Southern Indiana
Minute Entry/Order

Hearing Information:

Debtor: EASTERN LIVESTOCK CO., LLC
Case Number: 10-93904-BHL-11 **Chapter:** 11
Date / Time / Room: MONDAY, AUGUST 20, 2012 10:00 AM NA 103
Bankruptcy Judge: BASIL H. LORCH
Courtroom Clerk: KRISTIN GOSS
Reporter / ECR: AMY MASSEY

Matters:

- 1) Continued Status Hearing Re: Emergency Motion to Seal Document In Reply To Trustee filed by Walter Scott Newbern III on behalf of Creditors Arcadia Stockyard, Daniel M. Byrd, Cattlemen's Livestock Market, Inc., Columbia Livestock Market, Inc., Eagle Bay, Inc., Florida Association Livestock Markets, Hardee Livestock Market, Inc., Madison County Livestock Market, Inc. d/b/a Townse, North Florida Livestock Market, Inc., Oak Lake Cattle Co., Ocala Livestock Market, Inc., Okeechobee Livestock Market, Inc., Ron Sizemore Trucking, Inc., Sumter County Farmers Market, Inc [1027] with a Response in Opposition to Motion to Seal Document filed by Randall D. LaTour on behalf of Creditor Fifth Third Bank [1135]
R / M #: 0 / 0
- 2) Continued Status Hearing Re: Motion to Extend Time to File Response to the Court's order of February 10, 2012 in Friona Industries, L.P. v. Eastern Livestock Co., LLC, Adv. Proc. No. 11-59093 and for Clarification of Deposition Discovery Protocol filed by Daniel J. Donnellon on behalf of Creditor First Bank and Trust Company, The [1126] with an Objection to Motion to Extend Time to File Miscellaneous Documents filed by Randall D. LaTour on behalf of Creditor Fifth Third Bank [1132]
R / M #: 0 / 0
- 3) Continued Status Hearing Re: Joint Motion for Authority to Extend and Stay Certain Deadlines in Contested Matter Involving Trustee's Purchase Money Claims Report and Objections Filed by Bluegrass Stockyards of Campbellsville, Bluegrass Stockyards of Richmond, and Piedmont Livestock Company filed by Amelia Martin Adams, Harmony A Mappes on behalf of Creditors Blue Grass Stockyards of Campbellsville, LLC, Blue Grass Stockyards of Richmond, LLC, Piedmont Livestock, Inc., Trustee James A. Knauer [1127]
R / M #: 0 / 0
- 4) Hearing Re: Trustee's Report on Claims REPORT OF THE TRUSTEE, JAMES A. KNAUER REGARDING INVESTIGATION AND ANALYSIS OF POTENTIAL CLAIMS AGAINST FIFTH THIRD BANK [1166] with (a) Objection to Trustee's Report on Claims filed by Elliott D. Levin, Christopher M. Trapp, John M. Rogers on behalf of Petitioning Creditor Superior Livestock Auction, Inc [1177] and (b) Objection to Trustee's Report on Claims filed by Daniel J. Donnellon on behalf of Creditor First Bank and Trust Company, The [1201]
R / M #: 0 / 0
- 5) Motion to Strike Trustee's Report on Claims, filed by Elliott D. Levin, John M. Rogers on behalf of Petitioning Creditor Superior Livestock Auction, Inc [1197]
R / M #: 0 / 0
- 6) Motion to Strike Trustee's Report on Claims, filed by Daniel J. Donnellon on behalf of Creditor First Bank and Trust Company, The [1204]
R / M #: 0 / 0
- 7) Motion to Strike Trustee's Report on Claims, filed by Laura Day DelCotto on behalf of Creditors Blue Grass Maysville Stockyards, LLC, Blue Grass South Livestock Market, LLC, Blue Grass Stockyards East, LLC, Blue Grass Stockyards of Campbellsville, LLC, Blue Grass Stockyards of Richmond, LLC, Blue Grass Stockyards, LLC, East Tennessee Livestock Center, Inc., Piedmont Livestock, Inc., Southeast Livestock Exchange, LLC [1216]
R / M #: 0 / 0

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- 8) Objection to Trustee's Report on Claims filed by Daniel J. Donnellon on behalf of Creditor First Bank and Trust Company, The [1201]
R / M #: 0 / 0
- 9) Objection to Trustee's Report on Claims filed by Peter M Gannott on behalf of Other Professional Laurel Livestock Market Inc [1222]
R / M #: 0 / 0
- 10) Objection to Trustee's Report on Claims filed by Jessica E. Yates on behalf of Creditor CPC Livestock, LLC [1209]
R / M #: 0 / 0
- 11) Objection to Trustee's Report on Claims filed by Elliott D. Levin, Christopher M. Trapp, John M. Rogers on Objection to Trustee's Report on Claims filed by Elliott D. Levin, Christopher M. Trapp, John M. Rogers on behalf of Petitioning Creditor Superior Livestock Auction, Inc behalf of Petitioning Creditor Superior Livestock Auction, Inc [1177]
R / M #: 0 / 0
- 12) Hearing Re: Reinstated Objection to Application to Employ Baker & Daniels, LLP (n/k/a Faegre Baker Daniels LLP) as Counsel to Chapter 11 Trustee filed by Daniel J. Donnellon on behalf of Creditor First Bank and Trust Company, The [1238]
R / M #: 0 / 0
- 13) Objection to Application to Employ "Creditors' Joinder in the First Bank and Trust Company's Objection to Employment of Baker & Daniels, LLP (n/k/a Faegre Baker Daniels LLP) as Counsel to Chapter 11 Trustee and First Bank's Request for Order Terminating Employment filed by Laura Day DelCotto on behalf of Creditors Moseley Cattle Auction, LLC, Piedmont Livestock Company, Inc., Alton Darnell, Blue Grass Maysville Stockyards, LLC, Blue Grass South Livestock Market, LLC, Blue Grass Stockyards East, LLC, Blue Grass Stockyards of Campbellsville, LLC, Blue Grass Stockyards of Richmond, LLC, Blue Grass Stockyards, LLC, East Tennessee Livestock Center, Inc., Southeast Livestock Exchange, LLC [1278]
R / M #: 0 / 0
- 14) Hearing Re: Motion to Remove Baker & Daniels, LLP (n/k/a Faegre Baker Daniels LLP) as Counsel to Chapter 11 Trustee "Creditors' Joinder in the First Bank and Trust Company's Objection to Employment of Baker & Daniels, LLP (n/k/a Faegre Baker Daniels LLP) as Counsel to Chapter 11 Trustee and First Bank's Request for Order Terminating Employment" filed by Laura Day DelCotto on behalf of Creditors Blue Grass Maysville Stockyards, LLC, Blue Grass South Livestock Market, LLC, Blue Grass Stockyards East, LLC, Blue Grass Stockyards of Campbellsville, LLC, Blue Grass Stockyards of Richmond, LLC, Blue Grass Stockyards, LLC, Alton Darnell, East Tennessee Livestock Center, Inc., Moseley Cattle Auction, LLC, Piedmont Livestock Company, Inc., Southeast Livestock Exchange, LLC [1279]
R / M #: 0 / 0
- 15) Hearing Re: Joint Motion for Payment of Funds from Court Registry Joint Stipulation Of All Defendants And Unopposed Motion For Distribution Of Registry Funds filed by Randall D. LaTour, Walter Scott Newbern III, Harmony A Mappes on behalf of Creditors Arcadia Stockyard, Daniel M. Byrd, Cattlemen's Livestock Market, Inc., Columbia Livestock Market, Inc., Eagle Bay, Inc., Fifth Third Bank, Hardee Livestock Market, Inc., Madison County Livestock Market, Inc. d/b/a Townse, North Florida Livestock Market, Inc., Oak Lake Cattle Co., Ocala Livestock Market, Inc., Okeechobee Livestock Market, Inc., Ron Sizemore Trucking, Inc., Sumter County Farmers Market, Inc., Trustee James A. Knauer [1257]
ONLY IF ANY OBJECTIONS FILED.
R / M #: 0 / 0

VACATED: Objections due by 8/15/12. No objections filed. Motion granted. Order signed.

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- 16) Hearing Re: Motion to Compromise & Settle under Fed.R.Bankr.P. 9019 Motion To Approve Compromise And Settlement With Kenny Ogden filed by Shawna M Eikenberry on behalf of Trustee James A. Knauer [1242]
R / M #: 0 / 0
VACATED: Objections due by 8/15/12. No objections filed. Motion granted. Order signed.
- 17) Hearing Re: Motion to Remove Trustee Pursuant to 11 U.S.C. § 324 filed by Daniel J. Donnellon on behalf of Creditor First Bank and Trust Company, The [1239]
R / M #: 0 / 0
- 18) Hearing Re: Motion to Remove Trustee Pursuant to 11 U.S.C. §324 filed by Laura Day DelCotto on behalf of Creditors Alton Darnell dba Darnell Alton Barn, Blue Grass Maysville Stockyards, LLC, Blue Grass South Livestock Market, LLC, Blue Grass Stockyards East, LLC, Blue Grass Stockyards of Campbellsville, LLC, Blue Grass Stockyards of Richmond, LLC, Blue Grass Stockyards, LLC, East Tennessee Livestock Center, Inc., Piedmont Livestock, Inc., Southeast Livestock Exchange, LLC, Petitioning Creditor Moseley Cattle Auction, LLC [1237]
R / M #: 0 / 0
- 19) Hearing Re: Motion to Remove Trustee filed by Joshua Elliott Clubb on behalf of Other Professional Kentucky Cattlemen's Association [1324]
R / M #: 0 / 0
- 20) Hearing Re: Trustee's Motion for Rule 26(c) Protective Order and Rule 45 Objections filed by Kevin M. Toner on behalf of Trustee James A. Knauer [1336]
R / M #: 0 / 0
- 21) Response to Trustee's Motion for Protective Order filed by John M. Rogers, Christopher M. Trapp on behalf of Petitioning Creditor Superior Livestock Auction, Inc. [1313]
R / M #: 0 / 0
- 22) Hearing Re: Motion to Seal Document filed by Kevin M. Toner on behalf of Trustee James A. Knauer [1333]
R / M #: 0 / 0
- 23) Hearing Re: Motion to Compromise & Settle under Fed.R.Bankr.P. 9019 filed by Kevin M. Toner on behalf of Trustee James A. Knauer [1202]
R / M #: 0 / 0
VACATED: No objections filed. Motion granted. Order to be submitted.
- 24) Hearing Re: Objection to Motion to Remove Trustee Trustee's Objection To (1) Motion To Appear Pro Hac Vice And (2) Motion Of Kentucky Cattlemen's Association To Remove The Trustee Pursuant To 11 U.S.C. § 324 And To Terminate Employment Of The Trustee's Lead Counsel filed by Terry E. Hall on behalf of Trustee James A. Knauer [1332]
R / M #: 0 / 0
- 25) Hearing Re: Joint Motion to Compel Testimony and Production of Documents filed by Laura Day DelCotto, Walter Scott Newbern III, Daniel J. Donnellon on behalf of Creditors Alton Darnell dba Darnell Alton Barn, Blue Grass Maysville Stockyards, LLC, Blue Grass South Livestock Market, LLC, Blue Grass Stockyards East, LLC, Blue Grass Stockyards of Campbellsville, LLC, Blue Grass Stockyards of Richmond, LLC, Blue Grass Stockyards, LLC, CPC Livestock, LLC, East Tennessee Livestock Center, Inc., First Bank and Trust Company, The, Moseley Cattle Auction, LLC, Piedmont Livestock, Inc., Southeast Livestock Exchange, LLC. [1339]
R / M #: 0 / 0
- 26) Response in Opposition to Motion to Compel filed by Kevin M. Toner on behalf of Trustee James A. Knauer [1344]
R / M #: 0 / 0

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- 27) Reply to Response filed by Laura Day DelCotto on behalf of Creditors Blue Grass Maysville Stockyards, LLC, Blue Grass South Livestock Market, LLC, Blue Grass Stockyards East, LLC, Blue Grass Stockyards of Campbellsville, LLC, Blue Grass Stockyards of Richmond, LLC, Blue Grass Stockyards, LLC, Alton Darnell, East Tennessee Livestock Center, Inc., Moseley Cattle Auction, LLC, Piedmont Livestock Company, Inc., Southeast Livestock Exchange, LLC [1345]

R / M #: 0 / 0

- 28) Hearing Re: Motion to Seal Document filed by Daniel J. Donnellon on behalf of Creditor First Bank and Trust Company, The. [1363]

R / M #: 0 / 0

Appearances:

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In Court Appearances:

JAMES M. CARR, ATTORNEY FOR JAMES A. KNAUER
TERRY E. HALL, ATTORNEY FOR JAMES A. KNAUER
SEAN T. WHITE, ATTORNEY FOR JAMES A. KNAUER
JAMES A. KNAUER, ATTORNEY FOR JAMES A. KNAUER
KEVIN M. TONER, ATTORNEY FOR JAMES A. KNAUER
CHARLES WHARTON/RON MOORE, US TRUSTEE, TRUSTEE
RANDALL D. LATOUR, ATTORNEY FOR FIFTH THIRD BANK
C. R. BOWLES, ATTORNEY FOR GLEN FRANKLIN, JOPLIN REGIONAL STOCKYARDS, NORTHWEST ALABAMA LIVESTOCK YARD, PHILLIP TAYLOR REED, RON P. REED, B&B FARMS, BILLY NEAT, BREEDING BROTHERS, BRENT KEITH, DAVID L. RINGS, DENNIS NEAT, GARY S. BELL, JEREMY COFFEY, JIMMY BRUMMETT, MIKE LOY, MOSELEY CATTLE AUCTION, LLC, SOUTHEAST LIVESTOCK EXCHANGE LLC, SOUTHLAND HAULERS, LLC, SUPERIOR LIVESTOCK AUCTION, INC.
EDWARD M KING, ATTORNEY FOR FIFTH THIRD BANK
JOHN W AMES, ATTORNEY FOR JOPLIN REGIONAL STOCKYARDS, PHILLIP TAYLOR REED, RON P. REED, DAVID L. RINGS, MOSELEY CATTLE AUCTION, LLC, SOUTHEAST LIVESTOCK EXCHANGE LLC, SUPERIOR LIVESTOCK AUCTION, INC.
LAURA DAY DELCOTTO, ATTORNEY FOR ALTON DARNELL, ALTON DARNELL DBA DARNELL ALTON BARN, BLUE GRASS MAYSVILLE STOCKYARDS, LLC, BLUE GRASS SOUTH LIVESTOCK MARKET, LLC, BLUE GRASS STOCKYARDS EAST, LLC, BLUE GRASS STOCKYARDS OF CAMPBELLSVILLE,, BLUE GRASS STOCKYARDS OF RICHMOND, LLC, BLUE GRASS STOCKYARDS, LLC, EAST TENNESSEE LIVESTOCK CENTER, INC., FIRST BANK AND TRUST COMPANY, THE, MOSELEY CATTLE AUCTION, LLC, PIEDMONT LIVESTOCK COMPANY, INC., PIEDMONT LIVESTOCK, INC., SOUTHEAST LIVESTOCK EXCHANGE, LLC, SOUTHEAST LIVESTOCK EXCHANGE LLC
JOHN M. ROGERS, ATTORNEY FOR JOPLIN REGIONAL STOCKYARDS, SUPERIOR LIVESTOCK AUCTION, INC.
MICHAEL WAYNE OYLER, ATTORNEY FOR YOUR COMMUNITY BANK
STEPHEN A. WEIGAND, ATTORNEY FOR FIRST BANK AND TRUST COMPANY, THE
DANIEL J. DONNELSON, ATTORNEY FOR FIRST BANK AND TRUST COMPANY, THE
WALTER SCOTT NEWBERN, ATTORNEY FOR ARCADIA STOCKYARD, CPC LIVESTOCK, LLC, CATTLEMEN'S LIVESTOCK MARKET, INC., COLUMBIA LIVESTOCK MARKET, INC., DANIEL M. BYRD, EAGLE BAY, INC., FIRST BANK AND TRUST COMPANY, THE, FLORIDA ASSOCIATION LIVESTOCK MARKETS, HARDEE LIVESTOCK MARKET, INC., MADISON COUNTY LIVESTOCK MARKET, INC. D/, NORTH FLORIDA LIVESTOCK MARKET, INC., OAK LAKE CATTLE CO., Ocala LIVESTOCK MARKET, INC., OKEECHOBEE LIVESTOCK MARKET, INC., RON SIZEMORE TRUCKING, INC., SUMTER COUNTY FARMERS MARKET, INC.
AMELIA MARTIN ADAMS, ATTORNEY FOR ALTON DARNELL DBA DARNELL ALTON BARN, BLUE GRASS MAYSVILLE STOCKYARDS, LLC, BLUE GRASS SOUTH LIVESTOCK MARKET, LLC, BLUE GRASS STOCKYARDS EAST, LLC, BLUE GRASS STOCKYARDS OF CAMPBELLSVILLE,, BLUE GRASS STOCKYARDS OF RICHMOND, LLC, BLUE GRASS STOCKYARDS, LLC, EAST TENNESSEE LIVESTOCK CENTER, INC., PIEDMONT LIVESTOCK, INC., SOUTHEAST LIVESTOCK EXCHANGE, LLC, MOSELEY CATTLE AUCTION, LLC
ELLIOTT D. LEVIN, ATTORNEY FOR SUPERIOR LIVESTOCK AUCTION, INC.
CHRISTOPHER M. TRAPP, ATTORNEY FOR SUPERIOR LIVESTOCK AUCTION, INC.
JOSHUA CLUBB - ATTORNEY FOR KENTUCKY CATTLEMEN'S ASSOCIATION

Telephonic Appearances:

WENDY W PONADER, ATTORNEY FOR JAMES A. KNAUER
SANDRA D. FREEBURGER, ATTORNEY FOR ESTATE OF JOHN S. GIBSON, ANNA GAYLE GIB, GIBSON FARMS. LLC
DAVID L. LEBAS, ATTORNEY FOR J&F OKLAHOMA HOLDINGS, INC.
KELLY GREENE MCCONNELL, ATTORNEY FOR SUPREME CATTLE FEEDERS, L.L.C.
DAVID A. LAIRD, ATTORNEY FOR PEOPLES BANK OF COLDWATER KANSAS
HARMONY E. MAPPES, ATTORNEY FOR FOR JAMES A. KNAUER
ERIC REDMAN, ATTORNEY FOR BANK FIRST/ STRICKLAND FARMS
SEARCY PEOPLES - CACTUS GROWERS
JENNIFER WATT - ATTORNEY FOR JAMES A. KNAUER
MEREDITH THOMAS - ATTORNEY FOR TRUSTEE KATHRYN PRY IN GIBSON CASE 10-93867
JOHN CARR/BRETT CLEMENT - ATTORNEYS FOR INDIANA BANK AND TRUST
SHAWNA EIKENBERRY - ATTORNEY FOR TRUSTEE KNAUER
ALI DIVINE - ATTORNEY FOR NATIONAL CATTLEMEN ASSOCIATE
JACK DAWSON - ATTORNEY FOR ROBERT NICHOLS
ERIC RICHARDSON - ATTORNEY FOR FIFTH THIRD BANK
JOHN MASSOUGH - ATTORNEY FOR FRIONA INDUSTRIES
JOHN LOVELL - ATTORNEY FOR CACTUS GROWERS

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Proceedings:

*Disposition: Hearing held.

(1) Matter continued to Hearing on 9/7/12 @ 9:30 a.m. (EST) per request of W. Scott Newbern.

(2) Matter continued to Hearing on 9/7/12 @ 9:30 A.M. (EST).

(3) Per Toner - pursuant to the 5/3/12 order in this contested matter (#1145) and the 5/5/12 Orders on Summary Judgment and Motions for Extension of Time in AP 11-59093 (#435 and 436) supplemental memorandua regarding statutory trust issue objections shall be filed on the same schedules established in AP 11-59093 for briefs regarding the Trustee's Motoin for Partial Summary Judgment regarding statutory trust issues.

(4 and 11) Matter Taken under Advisement.

(12 and 13) Parties to submit Proposed Findings of Fact by Friday, August 24. Parties were sent instructions on how those findings are to be submitted.

(14) Testimony of Terry Hall. Creditor's First Bank and Trust's Exhibits 2 and 4. (Exhibits are part of sealed document filed by D. Donnellon on 8/19/12 document #1363). Parties to submit Proposed Findings of Fact by Friday, August 24. Parties were sent instructions on how those findings are to be submitted.

(15 and 16) VACATED: Objections due by 8/15/12. No objections filed. Motion granted. Order to be submitted.

(17 and 18) Parties to submit Proposed Findings of Fact by Friday, August 24. Parties were sent instructions on how those findings are to be submitted.

(19) Matter Taken under Advisement.

(20 and 21) Court to do order.

(22) Motion Granted. Order to be entered.

(23) VACATED: No objections filed. Motion granted. Order to be submitted.

(24) Matter Taken under Advisement.

(25 thru 27) Testimony of Jim Knauer. Cross Examination of Jim Knauer. Creditor's Exhibits 1,2, 3 and (Exhibits are part of sealed document filed by D. Donnellon on 8/19/12 document #1363). Court to do order.

(28) Motion Granted. Order to be entered.

NOTE: Court orders parties to conduct a settlement conference.

IF COUNSEL HAS BEEN DIRECTED BY THE COURT TO SUBMIT AN ORDER BASED ON THE COURT'S RULING OR THE PARTIES' AGREEMENT, THEN NO FURTHER NOTICE OR REMINDER WILL BE ISSUED. THE COURT WILL NOT KEEP A CASE OPEN SOLELY BECAUSE THE ORDER WAS NOT SUBMITTED WITHIN THE TIME PERIOD DIRECTED BY THE COURT. IN SUCH INSTANCE, A REOPENING FEE WILL APPLY.